

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 2704 - SB 2689**

January 25, 2012

**SUMMARY OF BILL:** Prohibits local education agencies (LEAs) from using state funds to pay for membership dues of an LEA professional organization.

**ESTIMATED FISCAL IMPACT:**

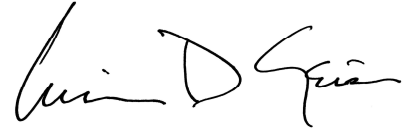
**Other Fiscal Impact – It is unknown if the revenue source currently used to pay LEA professional organization membership fees is being funded by state or local funding. To the extent that LEAs are using state funds to pay for membership fees to the Tennessee School Board Association or another professional organization, LEAs will either cease to be members of the organization or increase local expenditures to pay any required membership fees. State funding currently being used to pay membership fees will shift to another budget item.**

Assumptions:

- Once BEP payments have been made, the state does not require the separation of BEP monies from local sources of revenue. LEAs operate from a mixed source funding account.
- LEAs will shift any state funding being used to pay professional organization membership fees to another budget item. Because LEAs operate from a mixed revenue stream, the amount of state funding and the amount of this shift cannot be reasonably quantified.
- According to the Tennessee School Board Association, \$722,400 is annually collected from LEAs for membership fees.
- According to the Department of Education, LEAs paid a total of \$2,450,711 in membership fees to all professional organizations in FY10-11.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise', written in a cursive style.

Lucian D. Geise, Executive Director

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